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ILLINOIS COMMERCE COMMISSION

STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION

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04-0433

Mid-America Pipeline Company, LLC)

Application for: (i) issuance of Certificate in)
Good Standing as a common carrier by)
pipeline pursuant to the Illinois Common)
Carrier by Pipeline Law; and (ii) issuance of)
an interim order granting temporary authority)
pending resolution of this proceeding.)

APPLICATION

Mid-America Pipeline Company, LLC ("Applicant" or "LLC") hereby requests that the Commission: (i) issue an interim order granting Applicant temporary authority to operate, as a common carrier by pipeline, the facilities formerly owned and operated by Mid-America Pipeline Company ("Company"), and to provide the services formerly provided by Company at the rates and on the terms and conditions set forth in the tariffs in Applicant's name presently on file with the Commission, pending the outcome of this proceeding; and (ii) issue a final order granting LLC a Certificate of Good Standing ("Certificate") pursuant to Section 15-401 of the Illinois Common Carrier by Pipeline Act, 220 ILCS 5/15-401 ("Act"), and the authority to maintain its books and records outside of this State.

Company was a certificated common carrier by pipeline in Illinois; Company was converted under Delaware law, from a corporation to a limited liability company; LLC is the limited liability company successor to Company. Under Delaware law, such conversion does not involve any transfer or assignment; nor does it equate to a merger or consolidation or result in a new legal "person" holding the assets. Rather, the conversion statute simply takes the existing legal "person" and changes it from one kind of legal entity to another (in this case, from a

corporation to a limited liability company). Such a conversion is very similar to a name change. LLC's application is being made because, at the time of the conversion of Company from a corporation to a limited liability company, LLC inadvertently failed to seek a Certificate from the Commission. LLC now seeks to bring itself into full compliance with the provisions of the Act.

In support of its Application, Applicant states as follows:

1. Applicant is a Delaware limited liability company. Applicant's business address is:

Mid-America Pipeline Company, LLC
2727 North Loop West
Houston, Texas 77008

Attention: Legal Department

2. Applicant is authorized to do business in Illinois. Applicant's registered agent in Illinois is: C T Corporation System, 208 South LaSalle Street, Chicago, IL 60604-1136.

3. Notices and correspondence regarding this Application should be sent to undersigned counsel and to:

Mid-America Pipeline Company, LLC
2727 North Loop West
Houston, Texas 77008

Attention: Legal Department

The Mid-America Pipeline System and Services

4. Applicant's corporate predecessor, Company, was a Delaware corporation. Company was certificated to own and operate a pipeline system in Illinois for the conveyance of natural gas liquids.

5. The pipeline system owned and operated by LLC (the "System") covers a 14-state area in the Rocky Mountains and Midwestern Region of the United States, including Illinois, and moves approximately 242 million barrels of natural gas liquids annually. The System transports natural gas liquids, via a common carrier pipeline that provides the transportation services. The products transported on the System are largely liquids resulting from the processing of natural gas. Products originate on the System from direct connections to various processing facilities and other pipelines for transportation and distribution to other processing facilities, distribution terminals, and pipelines. The System consists of approximately 7200 miles of pipeline (approximately 400 miles in Illinois), and required pump stations and connection facilities.

6. When compared to other modes of transportation, the System provides a safe and cost effective means to transport natural gas liquids. In 2003, the System shipped approximately 14 million barrels of natural gas liquids into the State of Illinois for further processing or distribution. Of the 14 million barrels of product delivered into the State of Illinois, approximately 11% was ethylene, 80% was ethane-propane (EP) mix, and 9% was propane. Factors impacting the selection of transportation include cost, service, location of assets, and availability of other modes of transportation. For ethylene and EP mix the only commercially available transportation is by pipeline due to the required pressure necessary to keep the material in a liquid state for movement of these products. Applicant's pipeline is the only pipeline that can provide the market area with ethylene, and there is only one other pipeline that can provide the market area with EP mix, albeit at a reduced flow rate. If the System were not available, the destination processing facilities would be unable to receive feedstocks for processing into the chemicals and plastic products they produce. For propane, other modes of transportation are commonly available, including but not limited to, trucking, rail and waterborne facilities. The

selected mode of transportation for propane depends principally on cost, and the economics favor pipelines. If the System was not available within the State of Illinois, the market would be forced to use alternate modes of transportation for propane, likely at a higher cost. It would take 6,000 individual truck movements (assuming each truck holds 200 barrels) to replace the pipeline deliveries of propane that the System currently provides into the State of Illinois.

Corporate History

7. In July 2002, Company was converted pursuant to Section 266 of the Delaware General Corporation Law (8 Del. C. §266) from a Delaware corporation to LLC, a limited liability company. As that Delaware statute provides, the conversion of a corporation does not affect any obligations or liabilities of the corporation that were incurred prior to conversion. Moreover, when such conversion becomes effective, subsection (e) of that statute provides, in part, that "... the corporation shall continue to exist as a limited liability company ... and the laws of this State shall apply to the [converted] entity to the same extent as prior to that time." Thus, upon that conversion, LLC continued to hold all of the businesses and assets that it had held in its prior corporate form and continued to conduct those businesses using the same personnel as it had in its prior corporate form.

8. Company converted from a corporation to a limited liability company for tax purposes.

9. As of July 2002, Company's name was changed to Mid-America Pipeline Company, LLC and it continued its existence as a legal entity with the same assets and providing the services in Illinois which it had provided under its previous name of Mid-America Pipeline Company, pursuant to tariffs on file with the Commission.

10. At the time of the conversion, LLC inadvertently neglected to obtain either a transfer of Company's Certificate to LLC or the issuance to LLC of a new Certificate. LLC now seeks a Certificate to bring it in full compliance with the provisions of the Act.

LLC Qualifies for a Certificate

11. LLC qualifies for a Certificate. LLC possesses the financial, technical and managerial ability to own and operate the System and to provide the Services.

12. LLC's assets for the Year 2003 total \$700 million and LLC's revenues for the Year 2003 total \$197 million, based on FERC Form 6 reporting.

13. LLC also possesses the necessary technical and managerial expertise. LLC is operated as a common carrier under federal law.

Applicant's operations in Illinois are overseen by Kevin Bodenhamer, Director of Operations – Western Region, who has over 26 years of pipeline experience in various operations and engineering positions, including 11 years directly with Mid-America.

14. The corporate structural change did not change, reduce or impair the oversight or operation of the System in Illinois in any respect. The change from a Delaware corporation to a Delaware limited liability company was the only change.

Other Relief Requested

15. LLC requests the authority to maintain its books and records in its offices in Houston, Texas. LLC will make available to the Commission at the Commission's offices in Springfield, Illinois such documents as the Commission may properly request of LLC from time to time in the exercise of the Commission's duties and responsibilities under the Act and any rules and regulations promulgated thereunder.

Need for Expedited Interim Relief

16. Applicant requests that the Commission, at the earliest possible date, issue an interim order granting LLC all of the authority requested herein on a temporary basis pending the outcome of this proceeding. To the extent that LLC may not be in compliance with the express terms of the Act, LLC may encounter difficulty from time to time entering into corporate transactions necessary and proper to its business in Illinois. To avoid any such difficulty, LLC requests that, based on the information contained in this Application, the Commission grant LLC temporary status as a properly certificated common carrier by pipeline. A draft Interim Order is attached hereto as Appendix A.

WHEREFORE, for all the reasons stated herein, Mid-America Pipeline Company, LLC requests that the Commission grant it the interim and final relief requested herein.

Respectfully submitted,

Mid-America Pipeline Company, LLC

A handwritten signature in black ink, appearing to read "David M. Stahl", is written over a horizontal line.

David M. Stahl

Ronit C. Barrett

Eimer Stahl Klevorn & Solberg LLP

224 S. Michigan Avenue

Suite 1100

Chicago, Illinois 60603

(312) 660-7600

(312) 692-1718

dstahl@eimerstahl.com

rbarrett@eimerstahl.com

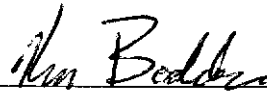
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VERIFICATION

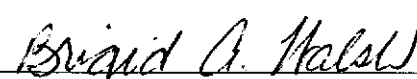
BEFORE ME, the undersigned authority, on this day personally appeared Kevin Bodenhamer, who after being duly sworn, on oath, deposed and stated:

My name is Kevin Bodenhamer. I am a natural person above the age of eighteen (18) years. I am Director of Operations – Western Region, of Mid-America Pipeline Company, LLC, named in the foregoing instrument and am authorized to make this verification on its behalf. The statements in the foregoing instrument are true of my knowledge, except as to the matters which are herein stated on information and belief, and as to those matters, I believe them to be true. I declare under penalty of perjury that the foregoing is true and correct.



Kevin Bodenhamer

SUBSCRIBED AND SWORN to me on this 7th day of June, 2004



Notary Public in and for the State of
Texas
My Commission expires: 10-30-2006
Printed Name: Brigid A. Walsh

